

AOT in Action

Welcome to AOT in Action, your weekly e-newsletter from the Arizona Office of Tourism (AOT).

A Message from Director Sherry Henry:

Good morning,

Last week, AOT and several statewide travel and tourism leaders were invited to join Governor Jan Brewer in a meeting to discuss issues pertinent to our industry, including SB1070. We want to thank Governor Brewer and her staff for the opportunity to discuss the vital impact of our industry. Through this meeting, a new Governor's Tourism and Economic Development Taskforce has been created, which will be coordinated through our agency. This taskforce is charged with addressing these current issues and looking at ideas to promote Arizona as a premier leisure *and* business destination.

As the taskforce gears up for the challenges ahead, it is important to understand that the efforts of this group will <u>not</u> replace what AOT has in store for the next fiscal year. In fact, their ideas will only complement and enhance the program of work our agency is establishing for FY11.

As we move forward with our own FY11 plans, we will continue to have a research-driven marketing program that will be supported by public relations activities as well as paid media and trade relations efforts. We also will continue to increase our community development offerings to support and help develop the amazing tourism products found throughout Arizona. The team at AOT is currently working on these plans. As the program of work is finalized we will certainly share the information with you as soon as we can. We will also be sharing this information at the 30th Annual Governor's Conference on Tourism.

Additionally, as an update to SB1070: We have developed a <u>Frequently Asked Questions</u> document, which can be found on our Web site, <u>www.Arizonaguide.com</u>. Please use this information to help answer any questions visitors to Arizona may have.

As always, if you have any questions regarding the Governor's Tourism Taskforce or AOT's program of work, please don't hesitate to contact me, shenry@azot.gov or Deputy Director Mark Stanton, mstanton@azot.gov.

AOT News

Get your Summer Travel Deals on Value AZ.com!

Post your summer <u>travel deals</u> online because AOT is gearing up to re-launch its successful summer, in-state campaign, Value AZ! AOT, in partnership with the Arizona Hotel & Lodging Association and statewide industry partners, will be launching our summer campaign later this month. The campaign will showcase the amazing summer travel opportunities found throughout Arizona in addition to promoting the economic value of travel to the state. If you want your travel deal promoted, this is your chance! Upload your travel deals and packages to the <u>Travel Deals</u> section of <u>www.azot.gov</u>. There is no charge to list a package on the Travel Deals section. If you have questions or need additional assistance, contact Marjorie Magnusson at 602-364-3695 or via e-mail at <u>mmagnusson@azot.gov</u>.

Calling all 2011 Events!

AOT is collecting all 2011 event dates for the Arizona Calendar of Events. Please identify the exact dates of your events, details can be sent at a later date if not yet confirmed. Submit your items by **Tuesday, June 1**. For more information, contact Marjorie Magnusson at 602-364-3695 or via e-mail at mmagnusson@azot.gov.

Registration is Now Open for the 30th Annual Governor's Conference on Tourism

The Governor's Conference on Tourism is Arizona's only all-industry educational and networking conference for members of the hospitality, travel and tourism industry. Take home practical ideas from the industry's top experts, hear the latest in hospitality and tourism, network with more than 500 fellow professionals, and learn about products and services from exhibiting sponsors. Registration and conference details are available online now. Questions? Call 602.265.2252 or email info@aztourismconference.com.

AOT Hosts Chinese Tourism Delegation

Last week, AOT welcomed a delegation of tourism professionals from Chengdu, the four-thousand-year-old sister city to Phoenix. Representatives from the Chengdu Culture & Tourism Development Group, the Chengdu Municipal Foreign Affairs Office and the Chengdu Municipal Tourism Administration Industry Development Department learned about AOT's efforts to market the state and the many attractions in Arizona. During their one-day stay they also toured the Phoenix Convention Center, the Heard Museum, Chase Field and met with travel agents. The larger delegation from Chengdu also toured First Solar and the Chinese Cultural Center. China now ranks number 10 in terms of international visitation to the United States and AOT thanks the Phoenix Sister Cities Commission for facilitating the visit.

AAA/CAA Back Roads to the Canyon FAM Tour

Kristin Swanson, Travel Industry Marketing Specialist, recently escorted a familiarization tour entitled "The AAA/CAA Back Roads to the Canyon FAM." In attendance were seven AAA/CAA travel agents from the states of Colorado, New Jersey, Pennsylvania and Virginia and New Brunswick and Brantford Canada. For four of the agents this was their first time ever to Arizona. This familiarization tour made stops in Mesa, Glendale, Wickenburg, the Grand Canyon National Park, and Williams. The group rafted down the Salt River, mined for gold in Goldfield, tried the local cuisine at Rancho de Tia Rosas in Mesa. Made their way west to Glendale and had a sweet experience at Cerreta's Chocolate Factory. Over in Wickenburg they giddied up at the Desert Caballeros Museum. The travelled up to the Grand Canyon National Park and hopped on the Train to Williams. For more information please contact Kristin Swanson at kswanson@azot.gov or 602-364-3696.

Upcoming Events & Activities

US Travel Associations International Pow Wow

Date: May 15-19, 2010 **Location:** Orlando, FL

Governor's Conference on Tourism

Date: July 12-14, 2010 Location: Tucson, AZ

Industry News

Sea Life Aquarium Now Open!

Sea Life Arizona Aquarium in Tempe opened Friday to gasps and giggles of children that echoed in marine caverns where hundreds of people got up close to sting rays, sharks, a giant Pacific octopus and the more than 5,000 sea creatures living at the aquarium. Within hours of the opening, a line had formed outside of people waiting to walk through the underwater adventure at Arizona Mills mall. More than 16,000 pre-booked tickets were sold, making this the largest sale of advance tickets for midway attractions in the history of Merlin Entertainment Group, the United Kingdom company that operates the aquarium. The company is the No. 2 themedattraction operator in the world, second only to Disney, and owns Madame Tussauds wax museums and 32 Sea Life Aquariums in 11 countries. The Arizona aquarium is Merlin's second in the United States. (Arizona Republic, May 15: To read the entire article, visit http://www.azcentral.com/thingstodo/kids/articles/2010/05/15/20100515aquarium0515.html

Union Plans More Strikes Against BA

A union representing 13,500 British Airways cabin crew members voted Monday to hold an additional 20 days of strikes beginning later this month, part of a protest of cost-cutting plans that include a wage freeze and a reduction of in-flight staff. The union, Unite, said the latest work action-the third against the airline this year-would occur in stages, with the first four-day walkout scheduled to begin on May 18. That would be followed by a strike from May 24 to 28, and subsequent strikes from May 30 to June 3 and June 5 to 9, the union said. The airline said

contingency plans would allow it to maintain a "substantial" part of its intercontinental service to and from Heathrow Airport in London during the expected strike periods. It said services at Gatwick and London City airports were unlikely to be affected. (Pages B7, New York Times; 1B, USA Today; www.latimes.com/Business; Travel Advance, May 11)

California Poised for Tourism Rebound

The California Travel and Tourism Commission predicts a nearly 3% increase in visitors this year, followed by a 4% increase in 2011. Visitors are expected to spend about \$92 billion on food, lodging and other expenses, a 5% increase over 2009. "It's been tough, said Caroline Beteta, chief executive of the tourism commission. 'But we really expect to take off in 2011." The improved numbers are the results of pent-up demand to travel and improved consumer confidence in the economy, she said. Theme park operators are also buoyed by the improved economy, saying attendance should rebound this summer from the slump a year earlier. (www.latimes.com/Business; Travel Advance, May11)

Major Corporations are Increasing their Travel Spending

A quarter of the world's major corporations are increasing their travel spending this year as they see the chance to generate new sales, says USA Today. That's a big switch after two years of dramatic travel cost cutting, according to a new report from American Express, the world's largest travel booker and issuer of corporate travel charge and credit cards. For many corporations, the economic uncertainty that began in 2008 caused them to rein in even sales-oriented travel spending. Airline executives said that corporate demand is picking up, though still has a long way to go to reach pre-recession levels. Wendy Prewitt, vice president of AmEx's global commercial charge and credit card business, says business travel may never return to 2007 levels. (Page 3B, USA Today; Travel Advance, May 11)

Luxury Hotels Reporting the Strongest Recovery

While the recession cut deeply into business and leisure travel at all hotels, luxury hotels were hit the hardest, says The New York Times. Now, that segment is reporting the strongest recovery. For the week that ended May 1, the luxury hotel niche reported the sharpest increases in both occupancy and revenue per available room of any segment in the domestic hotel industry, according to Smith Travel Research, the hotel financial analysis firm. "The recovery is stronger in luxury than in any other segment of hotel business," said Simon Cooper, president of the Ritz-Carlton hotel chain. (Page B6, New York Times; Travel Advance, May 11)

U. S. Hotel Industry Leading Indicator Up

The United States Hotel Industry Leading Indicator went up 0.4% during March, the second monthly increase after a slight dip in January's reading, according to economic research firm eforecasting.com in conjunction with Smith Travel Research. The HIL is a composite leading indicator for the U.S. hotel industry that, on average, leads the industry's business activity four to five months in advance. The latest increase brought the index to a reading of 111.7. The index was set to equal 100 in 2000. Five of the nine components that make up the HIL had a positive contribution in March: Labor Market Tightness; Hotel Profitability; International Visitors Future Demand; Interest Rate Spread; and New Orders for Manufactured Goods. Four of the nine components had a negative or zero contribution to the HIL during March: Weekly Hours in Hotels; Oil Prices; Housing Activity; and the National Vacation Barometer. (www.HSMAI.com; Travel Advance, May 11)

Award Winning Navajo Artist Selected to Paint Flagstaff Centennial Mural

The Flagstaff Beautification and Public Arts Commission has chosen renowned Navajo Artist, Redwing Ted Nez, known for his contemporary works depicting modern Navajo way of life, to paint the Centennial Walk Mural at the Flagstaff Visitor Center.

The Centennial Walk, an official Legacy Project, is a section of the Flagstaff Urban Trails System (FUTS) along the northern edge of the historic train depot property where the Flagstaff Visitor Center is located. To celebrate the Arizona Centennial (February 14, 2012), 100 feet of this new FUTS section has been designated as the Centennial Walk commemorating the State of Arizona Centennial with a mural along the walkway, accurately depicting 100 years of Flagstaff history.

Earlier this year, the City of Flagstaff released a public call to artists to submit proposals for the creation of the mural. The Beautification and Public Art Commission evaluated several entries and ultimately selected Nez, whose vision for the mural stems from childhood memories of Flagstaff in the 1960s.

"My interest in this project goes back to my first visit to Flagstaff as a boy and my attachment to the area ever since," Nez wrote in his proposal. "Since those early memories, I have continued to visit Flagstaff through my work, my attendance at Northern Arizona University and as an established artist at the Museum of Northern Arizona."

With a background in traditional sand painting, Nez formally studied art at NAU in Flagstaff. His works have won numerous awards, including Best of Show at the Navajo Festival of Arts and Culture at MNA. He has illustrated several books on Native culture and even played the role of a Sioux warrior in the 1990 Academy Award winning film, Dances with Wolves.

"We are honored that Mr. Nez will be providing our residents and visitors with a permanent legacy of Flagstaff's first 100 years," said Flagstaff Mayor Sara Presler. "Mr. Nez's strong connection to Flagstaff's history and culture will be brought to life in this mural, which is a perfect way to celebrate Arizona's Centennial."

The Centennial Walk Mural will be completed in June 2010 where it will be officially unveiled at a ribbon cutting ceremony. The Centennial Walk is a collaborative effort between multiple City of Flagstaff departments and commissions, including the Convention and Visitors Bureau, Historic Preservation Office, Community Design and Redevelopment, Community Enrichment Services, Beautification and Public Art Commission, Community Development and Tourism Commission. These groups have combined efforts and resources to ensure that Flagstaff residents and visitors have a permanent reminder of Flagstaff's rich history.

For more information on Flagstaff, visit www.flagstaff.az.gov. For more information on the Arizona Centennial, visit www.arizona100.org.

ATA Expects More Travelers this Summer

More people will travel on U.S. airlines this summer compared to last year, an industry trade group says. The Air Transport Association said Wednesday that it estimates about 2.2 million passengers per day will travel on U.S. airlines in June, July and August. That estimate is about 1% higher than last summer. ATA is projecting that 176 million passengers will travel domestically

and about 26 million passengers will travel internationally. It also expects jet fuel prices to be about 20% higher than last summer's prices which "could hamper recovery efforts." (<u>www.Star-Telegram.com/Business</u>; Travel Advance, May 13)

Gas Prices Headed Down as Vacation Season Nears

Gasoline prices are poised to fall as Memorial Day approaches, a welcome change for motorists who have gotten used to increases cutting into their summer vacation money. Experts who had been predicting a national average of more than \$3 per gallon by Memorial Day now say prices have likely peaked just beneath that. Rising supplies and concerns about the global economy have helped send wholesale gasoline prices plummeting by 22 cents a gallon since last week. The decline is starting to filter down to motorists, but the full effects will take several weeks to be reflected in pump prices, which average \$2.90 nationwide. (AP; www.Star-Telegram.com/Business; www.MiamiHerald.com/Business; www.Boston.com/Business; Page A7, Wall Street Journal; Travel Advance, May 13)

Summer Forecast Mixed for U.S. Hotels

The U.S. hotel industry this summer will have cause for both celebration and concern, predicts Smith Travel Research, which this week released its summer 2010 forecast. According to STR, summer occupancy will increase 2.2% this year over last, reaching 63.1% nationwide. Average daily rate, however, will continue to decrease, falling 1.9% from summer 2009 to \$95.16. Revenue per available room will be virtually flat, increasing 0.2% to \$60.03. "While demand for hotels this summer will be brisk and will continue to provide positive recovery momentum, rate growth remains a concern," said STR Vice President Brad Garner. "Conditioned and value conscious customers will not be reaching deep into their wallets as in previous summer seasons. We anticipate flat to slightly negative growth rate this summer." (www.MiMegasite.com, 5/13; www.TravelPulse.com; Travel Advance, May 14)

Meeting Planners say Things are Better

Meeting planners say that things today are better than they were yesterday, and that things tomorrow will be better than they are today. That's according to the Meeting Professionals International Foundation, which this week released the results of its latest MPI Business Barometer, a bi-monthly survey of meetings industry attitudes and trends. Conducted in April, the Business Barometer found that 58% of meeting professionals think current business conditions are better than a year ago, and that 64% think future business conditions will be better than a year ago. Those numbers are up from 43% and 55%, respectively, in February 2010. Also up is the number of new meetings-mostly in the domestic corporate sector, which was rated as the fastest growing meetings sector by 41% of meeting professionals. Despite growing optimism among a majority of meeting planners, pessimism persists in others, suggests the survey, which found that 7% of meeting professionals continue to cite uncertainty about the economy as a major trend influencing the industry. (www.MiMegasite.com, 5/12; Travel Advance, May 14)

Last Chance to Participate! Arizona Highways Travel Show – May 22 & 23

The Arizona Highways Travel Show provides an opportunity for communities, along with industry-related organizations and companies to promote their tourism destinations directly to potential customers in the Phoenix market.

The Arizona Highways Travel Show had an extremely successful inaugural show last year and looks to build upon that success. More than 100 exhibitors participated in last year's event where more than 3,000 attendees were looking for travel locations and things to do in the summer and fall in Arizona.

Show Details:

Arizona Highways Travel Show Phoenix Convention Center – Hall F May 22 & 23, 2010 10:00 a.m. – 5:00 p.m.

To register for a booth at the show:

www.arizonahighwaystravelshow.com

Booth prices start at: \$650.00 - opportunities to share a booth are available

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Calendar of Events

Visit www.ArizonaGuide.com to find information on all the exciting events, festivals and activities held throughout the Grand Canyon State!

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